

House Bill 3439

Sponsored by Representatives MALSTROM, KENNEMER, HOLVEY

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires that in professional corporation that is organized to allow physicians, physician assistants and nurse practitioners to jointly render professional health care services, physicians, physician assistants or nurse practitioners must hold majority of voting shares and be majority of directors of professional corporation.

Prohibits individual whom professional corporation employs, or individual who owns interest in professional corporation, from directing medical judgment of physician, physician assistant or nurse practitioner. Prohibits physician, physician assistant or nurse practitioner from directing services of another practitioner in professional corporation unless other practitioner also practices within same scope of practice as physician, physician assistant or nurse practitioner.

A BILL FOR AN ACT

1
2 Relating to professional corporations.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2017 Act is added to and made a part of ORS chapter 58.**

5 **SECTION 2. (1) As used in this section, "licensee" means an individual who has a license**
6 **as a physician or a license as a physician assistant from the Oregon Medical Board or who**
7 **has a license as a nurse practitioner from the Oregon State Board of Nursing.**

8 **(2) In a professional corporation that is organized for the purpose of allowing physicians,**
9 **physician assistants and nurse practitioners to jointly render professional health care ser-**
10 **vices, licensees must:**

11 **(a) Hold a majority of each class of shares of the professional corporation that is entitled**
12 **to vote; and**

13 **(b) Be a majority of the directors of the professional corporation.**

14 **(3) An individual whom the professional corporation employs, or an individual who owns**
15 **an interest in the professional corporation, may not direct or control the professional judg-**
16 **ment of a licensee who is practicing within the professional corporation and within the scope**
17 **of practice permitted under the licensee's license.**

18 **(4) A licensee whom the professional corporation employs, or a licensee who owns an**
19 **interest in the professional corporation, may not direct or control the services of another**
20 **licensee who is practicing within the professional corporation unless the other licensee is**
21 **also practicing within the scope of practice permitted under the licensee's license.**

22 **(5) A professional corporation that is subject to ORS 58.375 may elect to become subject**
23 **to this section by amending the professional corporation's articles of incorporation or by-**
24 **laws.**

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NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.